

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

In re Terrorist Attacks on September 11, 2001	03 MDL 1570 (RCC) ECF Case RICO STATEMENT applicable to Asat Trust
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This document relates to:

*Federal Insurance Co. v. al Qaida
03 CV 06978 (RCC)*

**RICO STATEMENT
APPLICABLE TO ASAT TRUST**

Based on information currently available, and pursuant to the Case Management Order dated June 15, 2004, plaintiffs submit this RICO statement for defendant Asat Trust

Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, much information is presently unavailable to plaintiffs, absent discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.

1. The unlawful conduct is in violation of 18 U.S.C. § 1962(c) and/or (d).
2. The name of the defendant to whom this RICO statement pertains is Asat Trust. The alleged misconduct and basis for liability is set forth in Exhibit "A".
3. Not applicable. All known wrongdoers are named as defendants in this action. Given the vastly complicated nature of the conspiracy and other wrongdoing that led to the events of September 11, 2001, however, much information is unavailable to plaintiffs, and the identities of other wrongdoers may be revealed through discovery. Plaintiffs therefore reserve the right to amend this RICO statement as information is learned and verified and after discovery is obtained.
4. The name of each victim and the manner in which each was injured is indicated on the chart attached hereto as Exhibit "B".
5. (a) list of predicate acts and specific statutes violated:

conspiracy to commit murder	NY CLS Penal § 105.15; NY CLS Penal § 125.25(xi)
conspiracy to commit arson	NY CLS Penal § 105.15; NY CLS Penal § 150.15
fraud with identification documents	18 U.S.C. § 1028
Travel Act	18 U.S.C. § 1952
illegal transactions in monetary instruments	18 U.S.C. § 1956
money laundering	18 U.S.C. § 1957
financial institutions fraud	18 U.S.C. § 1344
Travel Act	18 U.S.C. § 1952
illegal transactions in monetary instruments	18 U.S.C. § 1956
money laundering	18 U.S.C. § 1957
mail fraud	18 U.S.C. § 1341
wire fraud	18 U.S.C. § 1343
financial institutions fraud	18 U.S.C. § 1344
Filing false or materially false tax returns	26 U.S.C. § 7206(1),(2)
Engaging in a corrupt endeavor to impede and impair the due administration of the internal revenue laws	26 U.S.C. § 7212(a)
Providing material support of Terrorism	18 U.S.C. § 2332(b)(g)(5)(B) 18 U.S.C. § 2339A 18 U.S.C. § 2339B 18 U.S.C. § 2339C
Anti-Terrorism Act	18 U.S.C. § 2332b

(b) dates of, the participants in, and a description of the facts surrounding the predicate acts

DATES	PARTICIPANTS	FACTS
early 1990s	Asat Trust	Asat Trust conspired to support terrorism and

to 9/11/2001		to obfuscate the roles of the various participants and conspirators in the al Qaida movement, which conspiracy culminated in the Attack.
early 1990s to 9/11/2001	Asat Trust	Asat Trust undertook the above-named actions as part of a conspiracy to commit murder and arson, in that it knew that the Enterprise in which it was participating, the al Qaida movement, planned to and would commit an act of deadly aggression against the United States in the near future, using the resources and support it supplied.
early 1990s to 9/11/2001	Asat Trust	Asat Trust agreed to form and associate itself with the Enterprise and agreed to commit more than two predicate acts, <i>i.e.</i> , multiple acts of money laundering, murder and arson, in furtherance of a pattern of racketeering activity in connection with the Enterprise.

(c) not applicable

(d) No.

(e) No.

(f) The predicate acts form a pattern of racketeering in that they are continuous, and are a part of the Enterprise's regular way of doing business. Other of the defendants consistently, evenly constantly, laundered money, filed false tax returns, and otherwise impeded and impaired the administration of the tax laws as part of their scheme to conduit money to terrorists, and obfuscate their support of the al Qaida movement.

(g) The predicate acts relate to each other (horizontal relatedness) as part of a common plan because each act of money laundering, technical support and tax evasion allowed certain of the defendants to surreptitiously provide funds to terrorist organizations, including al Qaida, which conspiracy culminated in the Attack.

6. (a) The enterprise (the "Enterprise" or "the al Qaida movement") is comprised of the defendants named in the First Amended Complaint, and is a collection of persons, organizations, businesses, and nations associated in fact.

(b) The Enterprise has its origins in the defeat of the Soviets in Afghanistan in the late 1980s, when Osama Bin Ladin ("Bin Ladin") formed an organization called "The Foundation" or "al Qaida." Al Qaida was intended to serve as a foundation upon which to build a global Islamic army. The structure of the Enterprise is an association

in fact with common and complex goals that consist of far more than the mere desire to perpetrate the acts of racketeering outlined herein. Rather, the Enterprise utilizes acts of racketeering to further its overall common purposes of: (i) spreading a particularly virulent brand of radical, conservative Islam; (ii) eliminating Western influences in Islamic countries, including Western influences that are perceived to keep in power repressive Saudi American regimes that are not true to Islam; and (iii) punishing Israel, and the United States for its perceived support of Israel. The al Qaida movement does not feature a centralized hierarchy, because the lack of a centralized hierarchy is essential to the Enterprise's clandestine nature and its success. Thus, although al Qaida had its own membership roster and a structure of "committees" to guide and oversee such functions as training terrorists, proposing targets, financing operations, and issuing edicts, the committees were not a hierarchical chain of command but were instead a means for coordinating functions and providing material support to operations. Asat Trust fit neatly into this framework by raising funds for, providing funding and money laundering services to, and otherwise providing material support for al Qaida and the members of the Enterprise who planned, coordinated and carried out the Attack.

- (c) No.
- (d) Asat Trust is associated with the Enterprise.
- (e) Asat Trust is a member of the Enterprise, and is separate and distinct from the Enterprise.
- (f) Asat Trust intended to further the Attack and adopted the goal of furthering and/or facilitating that criminal endeavor, which criminal activity culminated in the Attack.

7. The pattern of racketeering activity conducted by Asat Trust is separate from the existence of the al Qaida movement, but was a necessary component to the Attack.
8. The Enterprise conducts terrorism all over the world; the racketeering activity conducted by Asat Trust furthers and facilitates that activity, which activity culminated in the Attack. The usual and daily activities of the Enterprise includes recruitment, indoctrination, and the provisioning and operation of training camps, all of which activities are furthered and facilitated by the racketeering activities described herein.
9. The Enterprise benefits by spreading its ideology, by suppressing other forms of Islam, and through the gratification of destroying its perceived enemies.
10. The Enterprise, and the racketeering activities conducted by Asat Trust, relies heavily on the American interstate system of commerce for banking, supplies, communications, and virtually all its essential commercial functions, and in that manner affects interstate commerce. Additionally, the Attack itself affected commerce. See Rasul v. Bush, 124 S. Ct. 2686, No. 03-334, 2004 U.S. LEXIS 4760, * 8 (stating that the Attack "severely damaged the U.S. economy").
11. Not applicable.

- 12. Not applicable.
- 13. The al Qaida movement “employs” certain individuals, only a few of whose identities are known, including defendant Osama bin Ladin.
- 14. The history of the conspiracy behind the al Qaida movement could, and has, filled many books, but for purposes of the present RICO Statement, the following is offered. From its inception, al Qaida has relied on well-placed financial facilitators, including Asat Trust, to raise, manage and distribute money for the Enterprise under the guise of legitimate banking business activity. Al Qaida also relied heavily on certain imams at mosques who were willing to divert the *zakat*, the mandatory charitable contributions required of all Muslims.

The funds thus raised were used to, among other things, operate terrorist training camps in the Sudan, Afghanistan and elsewhere, where some recruits were trained in conventional warfare but where the best and most zealous recruits received terrorist training. The curriculum in the camps placed great emphasis on ideological and religious indoctrination. All trainees and other personnel were encouraged to think creatively about ways to commit mass murder.

The camps were able to operate only because of the worldwide network of fundraisers, recruiters, travel facilitators, and document forgers who vetted recruits and helped them get in and out of Afghanistan and the other countries where al Qaida maintained an operational presence. From the ranks of these recruits the nineteen perpetrators of the Attack were selected. None of this would have been possible without the funds and other support supplied by participants and conspirators like Asat Trust. Indeed, the Enterprise would not have been successful without the enthusiastic participation of all of the conspirators, including Asat Trust. In order to identify nineteen individuals willing, able and competent to carry out the Attack, al Qaida needed to select from a vast pool of recruits and trainees, which pool would not have been available to it without the assistance provided by Asat Trust. Asat Trust, with knowledge and intent, agreed to the overall objectives of the conspiracy, and agreed to commit at least two predicate acts and agreed to participate in the conspiracy, either expressly or impliedly. Asat Trust also, with knowledge and intent, agreed to and did aid and abet all of the above illegal activities, RICO predicate acts, and RICO violations.

- 15. As the subrogees of both individual and property claimants, plaintiffs have been harmed in their business and property through the claims that they have paid out or for which they have reserved.
- 16. Plaintiffs’ damages -- injuries, the loss of life and property damage that resulted from defendants’ actions -- are direct in that they are not derivative of damage to a third party. Rather the plaintiffs’ insureds’ assignees were the “reasonably foreseeable victims of a RICO violation” and the “intended victims of the racketeering enterprise,” *i.e.*, terrorism, the culmination of which was the Attack.

17. Each defendant is jointly and severally liable for the damages suffered by each plaintiff, as set forth in Exhibit "C".

18.

VI	Torture Victim Protection Act, 28 U.S.C. § 1350
VIII	RICO, 18 U.S.C. § 1962(c), 1962(d)
X	Anti-Terrorism Act, 18 U.S.C. § 2333

19. pendent state claims:

I	Trespass
II	Wrongful Death
III	Survival
IV	Assault & Battery
V	Intentional and Negligent Infliction of Emotional Distress
VII	Conspiracy
IX	Aiding and Abetting
XI	Negligence
XII	Punitive Damages

20. Not applicable

EXHIBIT "A"**RICO STATEMENT****QUESTION # 2**

DEFENDANT	MISCONDUCT	BASIS OF LIABILITY
Asat Trust ("Asat Trust")	<p>Asat Trust has provided critical financial, logistical and technical support to al Qaida in relation to that terrorist organization's global jihad. Asat Trust conducted or participated, directly or indirectly, in the conduct of the Enterprise's affairs and participated in the operation or management of the operation of the Enterprise itself. Asat Trust conspired to conduct or participate, directly or indirectly, in the conduct of the Enterprise's affairs and conspired to participate in the operation or management of the operation of the Enterprise itself.</p> <p>Asat Trust was designated by the United States and the United Nations as a terrorist-related entity. The Office of Foreign Assets Control, of the United States Treasury, froze their assets due to their links to Al Taqwa, their individual activities to support terrorism and their financial support of the Al Qaida. Asat Trust has been involved with the Al Taqwa network during the last thirty years, registering changes in company names, personnel and financial structure, along with many other duties. Al Tawqa is a co-defendant in this case. In fact, many of the transactions of Al Taqwa and the Himmat Establishment were undertaken in care of Asat Trade Regulation.</p> <p>Al Taqwa, too, has also been designated as a terrorist-related entity and has been linked to significant support of the al Qaida movement. At the time of the Bank's designation President George Bush declared, "Al Taqwa is an association of offshore banks and financial</p>	1962(c) 1962(d)

	<p>management firms that have helped Al Qaeda shift money around the world. Al Taqwa raises funds for Al Qaeda.”</p> <p>Asat Trust is owned by Youssef M. Nada, a co-defendant here. Youssef M. Nada has been designated as a person who supports terrorism by the Department of the Treasury, Office of Foreign Assets Control. He was sanctioned as a sponsor of the al Qaida movement.</p> <p>Asat Trust, based in Liechtenstein, is headed and directed by Martin Wachter and Erwin Wachter (collectively referred to as the “Wachters”). Additionally, available information reveals a pattern of activity over a period of many years of the Wachters working at the same address registered to Asat Trust.</p> <p>Both Wachters also own Sercor Treuhand Anstalt, a co-defendant in this case. As owners and heads of Asat Trust and Sercor Treuhand Anstalt, the Wachters oversaw the activities and had knowledge of the activities that supported al Qaida.. Both Wachters have long known that accounts, under their control, which were maintained, and assisted, were being used to solicit and transfer funds to terrorist organizations, including al Qaida.</p> <p>Despite this knowledge, the Wachters continued to permit, make available, assist, and maintain those accounts. Available information demonstrates that there have been activities between the Wachters and Al Taqwa Bank, a co-defendant in the above- referenced cases who has been significantly linked to activities and supporting al Qaida. Al Taqwa's assets were frozen by the Office of Foreign Assets Control, as a Designated Terrorist Organization, by Executive Order 13224. Additionally, there is information which places the Wachters at working on behalf of Al Taqwa Bank in Nassau, Bahamas.</p> <p>There is additional information which links the</p>	
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	<p>Wachters and Asat Trust to Al Taqwa and its executives, Youssef M. Nada, Ali Ghaleb Himmat, Ahmed Nasreddin, and Albert Friedrich Armand Huber, co-defendants here, who have been linked to funding al Qaida.</p> <p>Via Galp International Trading Establishment, which Asat Trust also represented, the Wachters and Asat Trust have also been linked in news reports to laundering funds on behalf of the Food-for-Oil program and moving the money through Al Taqwa to the Enterprise.</p> <p>As the foregoing demonstrates, Asat Trust thereby knowingly has, for a period of many years, provided critical financial and logistical support to the al Qaida movement, to support the terrorist organization's global jihad. The September 11th Attack was a direct, intended and foreseeable product of Asat Trust's participation in the jihadist campaign for the al Qaida movement.</p> <p>Through all this, Asat Trust knowingly and actively participated in continuous efforts to advance al Qaida's terrorist ambitions, and used his financial position as an effective mechanism for raising funds for, and providing other forms of material support to, al Qaida. By virtue of its active role in the Enterprise's wrongdoing, Asat Trust is personally responsible for the resulting harm.</p>	
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